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SUBJECT: AEC PLENARY MEETING- May 15, 2007

1. SUMMARY: The Assessment and Evaluation Commission (AEC) held its 20th plenary session in Khartoum on May 15. AEC Chair Vraalsen delivered a summary of his May assessment trip to Kordofan, Blue Nile, Khartoum, and Bahr al Jebel states. Noting difficulties in scheduling, attendance, and overall coordination with the National Congress Party (NCP) and the Sudan People's Liberation Movement (SPLM), Vraalsen questioned the commitment of those parties to the QDC. There is a commitment of the SPLM and NCP to the QDC. The SPLM and NCP have not delivered funds to this state, leading to continued difficulties for the development of education sector, joint integrated units (JIU), and continued disarmament, demobilization, and reintegration (DDR) efforts. On his visit to Juba (May 1-3), Vraalsen found the city "booming with construction and trade." According to his report, the WFP program, road construction, and the de-mining activities are all thriving. He also noted that AEC's new facility in Juba should be operational by August 2007. Vraalsen stated that he understands funds from the 2007 budget for the census have not been disbursed. Chairman Vraalsen ended his comments urging the NCP and SPLM to take their commitment to the AEC more seriously, saying, "I expect full cooperation [from the SPLM and NCP.] We cannot continue going down this road."

3. The NCP representatives, Idris Muhammad Abd Al-Qadar and Abdel Rahman Ibrahim El Khalifa, responded to Vraalsen's comments, stating that their commitment to the AEC should not be questioned, calling his remarks "unfortunate." Al-Qadar objected to Vraalsen's bleak picture of the Blue Nile state and added that the funds for the census from the 2006 budget have been paid in full and that the 2007 portion will be made through a quarterly allocation.

4. The SPLM representatives, Angelina Teny, Anne Itto, and Kosti Manibe, praised Chairman Vraalsen's report on his trip, urging similar AEC trips in the future. State Minister Itto, while enthusiastic about Juba's development, cautioned that Juba should not become the focus of all development in the south. Itto warned that the center-periphery relationship between Khartoum and the rest of Sudan should not be replicated between Juba and the rural south. With regards to the census, Itto stated that quarterly funds should have arrived by March, but in fact had not been received by May. SPLM representatives painted a more sober picture of the Blue Nile state, naming corruption, the failure to pay salaries, and the lack of civil service infrastructure as significant problems. Teny also added that more work by the AEC is needed on two topics: the oil sector and Abyei. She expressed concern about reports of attacks on southerners in Khartoum.

5. SPLM and NCP representatives assured Charge Powers that they would send a representative to the Wealth Sharing Working Group's visit to the Heglig Oil field on May 21, 2007. The next AEC Plenary will be held June 7th, 2007.

6. The draft minutes from the May 15 AEC plenary meeting are as follows:

Draft minutes from 20th AEC Plenary meeting held on May 15th, 2007

The meeting was attended by representatives from Italy, NCP, the Netherlands, Norway, SPLM, U.S., U.K. and observers from E.U. and the U.N.

Before the draft minutes from the 19th AEC Plenary Session held on April 17th, 2007 could be approved (please find copy enclosed), SPLM requested that the record incorporates SPLM's objection to the sentence 'Taha expressed the Government's objection to IGAD's involvement in the CPA implementation'. GONU consists of NCP, SPLM and other parties. The remark should be regarded only a reflection of NCP's position. SPLM considered this disrespectful to the CPA (Implementation Modalities of Machakos Protocol n.5 p.143) with its built-in guarantees.

SPLM further noted that both the international community and IGAD should be involved in monitoring the implementation of the CPA and not only AEC and UNMIS (for the cease-fire) as NCP claims.

The Chairman encouraged the parties to sort out the issue between

them selves. The minutes were approved thereafter.

The Chairman presented his elaborate report for the period April 17th to May 15th, 2007 (please find copy enclosed). It covered a wide range of issues such as the Chairman's meetings in Khartoum, Juba and Blue Nile State, as well as in Addis Abeba.

The Chairman's report became the basis for most of the discussions at this Plenary:

In connection with Blue Nile State , NCP objected to the Chairman reporting that local authorities were concerned with lack of federal funds. This was in contrast to what the Governor of Blue Nile State had reported at a Special AEC Session on Blue Nile State and Southern Kordofan on April 28th, 2007.

SPLM, on the other hand, underlined that the Chairman's report had correctly noted the political rivalry between NCP and SPLM in the state and the disparity in allocations for development projects. SPLM further expressed concern that only salaries and bare operational expenses were paid. The entire funding situation should be looked into to address shortfalls.

To obtain a clear picture of the situation, the Chairman asked NCP to request the Federal Ministry of Finance to provide a complete and updated overview of fund transfers to Blue Nile State. He further requested information on the performance of NRDF.

Regarding the security situation in Blue Nile State, SPLM noted concern for the reports that recruitment was on-going . A new OAG situation was at hand. Finally SPLM informed the Commission that during the present consultations between the parties a new committee was formed to address the issues of CPA implementation in Blue Nile State and Southern Kordofan. The hope was to reach recommendations in the coming 60 days which ultimately would result in tangible solutions.

In connection with the Chairman's visit to Juba and the observations on development on the ground, SPLM remarked that attention should be also kept on developments beyond Juba. Little was happening in other places A balanced development is required to avoid neglecting parts of the country. If the urban centers such as Khartoum and Juba were allowed to grow unchecked lots of problems would result . The growing city population would contribute to shortages in housing and

problems in service delivery . The periphery should be kept in check also both to avoid the migration to urban centers and to avoid the decline in agricultural activities.

SPLM made particular reference to the Chairman's report on the Anti-Corruption Commission and its determination to perform its duties effectively.

The issue of the Census was taken up. The Chairman reported on the continuous problem of shortage of funding in connection with the mapping exercise in Southern Sudan. He encouraged the donor community to look into the proposal by the Commissioner of SSCCE for MDTF and GoNU to consider a switch in their engagements. The donors could fund the mapping now and Government would fund the enumerators at a later stage.

NCP noted that the Census would receive allocations on a quarterly basis in 2007. Delays in disbursement needed to be looked into.

SPLM encouraged the Chairman to continue his field visits to gauge the situation on the ground and to monitor CPA implementation. Further visits to Wau, Yambio, Yei and Kapoeta were recommended.

The need to invest and support education programmes in the return areas was stressed in connection with the Chairman's meeting with UNHCR in Addis Abeba regarding the repatriation of refugees to Sudan.

Furthermore, in light of the Chairman's meeting with JNTT, SPLM encouraged the cooperation between AEC and JNTT in identifying issues to address, particularly in terms of 'peace dividends'. The agreement between the two institutions to call a joint with the United Nations, the World Bank and the AEC's Wealth Sharing Working Group was welcomed.

No Reports from the Working Groups were presented since NCP had called off Working Groups in May due to 'lack of consultation and coordination to organize meetings and set agenda, and due to the Party's engagement, with the SPLM, in continuous political discussions during May, 2007'.

The Chairman recognized the fact that the Parties are currently engaged in preparation for Leadership meeting on May 27th. However, he requested clarification on the 'lack of consultation and coordination' point raised by NCP. He stressed that the Coordinators for the Working Groups had full understanding and respect of the procedures.

Furthermore, the Chairman expressed concern over the Parties recent behavior which made him question their sincerity. He requested the Parties to clarify their position in connection with the AEC comprehensive reports on "Two Years of CPA Implementation". He reminded the Parties that the Commission's mandate was agreed upon by the Presidency. The Parties' commitment is essential for the effective work of AEC. NCP took exception to the Chairman questioning its sincerity.

NCP underlined that its members had attended the Working Group meetings regularly. When it became evident that May would prove

difficult in terms of NCP participation, NCP requested to call off the meetings. The problem was not the issues but rather timing.

Furthermore, NCP confirmed that it wanted to complete the report in question by July 9th as planned. Work with the Coordinators would continue in mutual understanding.

SPLM affirmed the importance it attaches to the AEC as an institution for the implementation of CPA. SPLM apologized for its absence and re-affirmed its willingness to work with the Working Groups and their Coordinators.

During the discussion on how to conduct the Working Group meetings, the Coordinator for the Working Group on Security Arrangements explained that organizing meetings with the relevant authorities and guests is often logistically complicated. A certain degree of flexibility and understanding is required from everyone.

The Coordinator for the Power Sharing Working Group Coordinator renewed his emphasis for the need to prioritise activities and topics.

The Chairman informed that a new request would be sent out for members to forward the names of Commissioners and alternates to attend Working Group meetings.

Finally, both NCP and SPLM were not in a position to share information on the ongoing meetings in preparation for the May 27th Leadership meeting. SPLM underlined that progress was achieved in sitting together. The meetings had improved the environment and relations between NCP and SPLM. Many decisions were reached to improve coordination at the different levels of government. For example:

1. the service ministries would meet jointly with the World Bank in Juba.

2. as discussed earlier a committee for the two areas was formed to address outstanding issues such as the police and Civil Service. The establishment of an AEC at Blue Nile State and Southern Kordofan was expected next month.

3. NPC related issues to make the Commission operational were mostly resolved. The petroleum sector remained a major issue.

However:

1. Abyei was deferred and would be discussed on May 21st.

2. Security and especially OAGS was not discussed. An incident in Khartoum the previous day involving OAGs was under investigation.

NCP informed that SAF and SPLA have agreed on a joint programme at the OAGCC, endorsed by JDB and Presidency. DDR of OAG, in cooperation with UNMIS, is almost completed in Equatoria, is ongoing in Wau and will start in Upper Nile next week. This information is informal until it is released by the Minister of Interior.

The Coordinator for Wealth Sharing reminded the Commission that the visit to Higlig oil field is scheduled for May 21st.

The Chairman finally notified that the AEC compound in Juba will be ready by the end of August.

The 21st AEC Plenary Meeting was scheduled for June 7th, 2007. A reminder will be sent out.

POWERS